



OFFICE OF  
INSURANCE COMMISSIONER

7282 12/14/05

\$5,000.00 ✓

In the Matter of

PROGRESSIVE CASUALTY  
INSURANCE COMPANY,  
PROGRESSIVE NORTHERN  
INSURANCE COMPANY,  
PROGRESSIVE PREFERRED  
INSURANCE COMPANY,  
PROGRESSIVE NORTHWESTERN  
INSURANCE COMPANY,  
PROGRESSIVE AMERICAN  
INSURANCE COMPANY,  
PROGRESSIVE CLASSIC  
INSURANCE COMPANY,  
PROGRESSIVE SPECIALTY  
INSURANCE COMPANY,  
PROGRESSIVE WEST  
INSURANCE COMPANY,  
PROGRESSIVE HALCYON  
INSURANCE COMPANY,

Authorized Insurers

ORDER NO. D05-392

CONSENT ORDER  
IMPOSING A FINE

**FINDINGS OF FACT:**

1. All of the nine Progressive companies named in the caption of this consent order are authorized to transact insurance business in the State of Washington.
2. Between June 1, 2004, and June 23, 2004, the Progressive companies renewed 6,323 auto policies, to be used with rates that were not in accord with the filing then in effect, due to a data processing error. All of those policies were undercharged.

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**CONCLUSION OF LAW:**

1. By using rates not in accordance with a filing then in effect, the Progressive companies violated RCW 48.19.040(6).

**CONSENT TO ORDER:**

The Progressive companies wish to resolve this matter without further administrative or judicial proceedings at this time. The Progressive companies consent to the entry of this order, which imposes a fine of \$10,000, half of which will be suspended for two years following the entry of this order, upon condition that none of the Progressive companies named in the caption of this order commit any further violations of RCW 48.19.040(6) during the two-year period and also upon condition that the Progressive companies pay the unsuspended \$5000 within 30 days of the date this order is entered. If any of the Progressive companies named in the caption of this consent order commit any violation of RCW 48.19.040(6) within two years of the date this order is entered, or if the unsuspended \$5000 is not paid in full within 30 days from the entry of this order, then the suspended \$5000 shall become immediately due and payable, together with any additional fines or other sanctions which may be levied for such additional violation or violations. Failure to pay the unsuspended \$5000 within 30 days of the date this order is entered will also constitute grounds for the suspension or revocation of the certificates of authority held by one, any, or all of the Progressive companies named in the caption of this consent order. It will also result in a civil action to recover the entire amount of the fine, brought by the Attorney General on behalf of the Insurance Commissioner.

All the Progressive companies named in the caption of this consent order acknowledge their duty to comply with the applicable statutes and regulations of the State of Washington.

On Behalf of the Progressive Companies Named in the Caption of This Order

Signature: Dane A. Shrallow

Dane A. Shrallow: \_\_\_\_\_

Printed Corporate Title: Secretary

Signature: Michael R. Uth

Michael R. Uth: \_\_\_\_\_

Printed Corporate Title: Secretary

EXECUTED AND AGREED THIS 14th DAY OF November, 2005.



**ORDER:**

Pursuant to RCW 48.05.185 and based on the foregoing Findings of Fact, Conclusion of Law, and Consent to Order, the Insurance Commissioner orders the Progressive companies named in the caption of this order to pay a fine in the amount of \$10,000, of which \$5000 shall be suspended for two years from the date this order is entered, upon condition that no Progressive company listed in the caption of this order commit an additional violation or violations of RCW 48.19.040(6) during that two-year period, and also upon condition that the Progressive companies pay the unsuspended \$5000 to the Office of the Insurance Commissioner within 30 days after this order is entered. If any of the Progressive companies commits any additional violation or violations of RCW 48.19.040(6) during the two-year suspense period, or if the unsuspended \$5000 is not paid to the Insurance Commissioner within 30 days after this consent order is entered, then the suspended \$5000 shall be due and payable, along with such other fines and sanctions as may be levied for such additional violation or violations. Failure to pay the unsuspended \$5000 timely and in full will also constitute grounds for the suspension or revocation of the certificate of authority held by one, any or all of the Progressive companies named in the caption of this order. It will also result in a civil action brought by the Attorney General on behalf of the Insurance Commissioner, to recover the entire amount of the fine.

Entered at Tumwater, Washington, this 16<sup>th</sup> day of November, 2005

MIKE KREIDLER  
Insurance Commissioner

By William Kirby  
William Kirby  
Legal Affairs Division